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United Nations

International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Financial report and audited financial statements

for the biennium ended 31 December 1999 and

Report of the Board of Auditors

General Assembly
Official Records
Fifty-fifth session
Supplement No. 5L (A/55/5/Add.12)

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United Nations • New York, 2000

Note

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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Letters of transmittal

30 March 2000

Dear Mr. Chairman,

In accordance with financial regulation 11.4, I have the honour to submit the accounts of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 for the biennium 1 January 1998 to 31 December 1999, which I hereby approve. The financial statements have been drawn up and certified by the Controller.

Copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

(*Signed*) Kofi A. **Annan**

Chairman of the Board of Auditors
United Nations
New York

30 June 2000

Sir,

I have the honour to transmit to you the financial statements of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 for the biennium 1998-1999 ended 31 December 1999, which were submitted by the Secretary-General. These statements have been examined and include the audit opinion of the Board of Auditors.

In addition, I have the honour to present the report of the Board of Auditors with respect to the above accounts.

Accept, Sir, the assurances of my highest consideration.

(*Signed*) Sir John **Bourn**
Comptroller and Auditor General of the United Kingdom of
Great Britain and Northern Ireland and
Chairman
United Nations Board of Auditors

The President of the General Assembly of the
United Nations
New York

Chapter I

Financial report for the biennium ended 31 December 1999

A. Introduction

1. The Secretary-General has the honour to submit his financial report on the accounts of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 for the biennium 1998-1999 ended 31 December 1999. The accounts consist of four statements and the related notes.

2. The present report, the audited financial statements and the report of the Board of Auditors, along with the associated report of the Advisory Committee on Administrative and Budgetary Questions, will be submitted to the General Assembly at its fifty-fifth session.

3. The present report, which is designed to be read in conjunction with the financial statements, can also be considered alone. Attached hereto is a technical annex, which includes information that is required by the Financial Rules to be reported to the General Assembly.

B. Overview

4. Statements I, II, III and IV of the accounts summarize the results of the International Tribunal for the Former Yugoslavia. Statement I includes all categories of income and expenditures incurred during the biennium 1998-1999. Statement II includes a summary of assets, liabilities, reserves and fund balances at 31 December 1999. Statement III summarizes the Tribunal's net cash flows for the period and statement IV shows the appropriations and expenditures against the appropriations during the biennium 1998-1999.

5. At 31 December 1999, unpaid contributions to the International Tribunal for the Former Yugoslavia totalled $18.6 million.

6. The budget of the International Tribunal for the Former Yugoslavia for the biennium 1998-1999 totalled $171.7 million, as appropriated by the General Assembly in its resolutions 52/217 and 53/212. Actual expenditures for the biennium totalled $151.4 million, leaving an unencumbered balance of $20.3 million. the 1998-1999 expenditure total of $151.4 million represented an increase of 107 per cent of the total expenditures in the biennium 1996-1997 of $73.2 million. The following table shows expenditure by functional category of expenditure.

Percentage of expenditure by functional category

Functional category	*1999*	*1997*
Salaries and common staff costs	81.2	72.6
Travel	4.0	4.9
Contractual services	.7	7.5
Operating expenses	8.6	11.7
Acquisitions	5.5	3.3
Total	**100.0**	**100.0**

7. At the end of 1999, the accounts of the International Tribunal for the Former Yugoslavia show a surplus of $23.6 million, which comprises an unobligated balance of appropriations of $20.3 million, savings on the liquidation of prior period obligations of $1.3 million and miscellaneous income and other adjustments of $2.0 million for the biennium. The balance of $23.6 million will be available to offset against the assessments of Member States.

8. Schedule 2.1 of the financial statements includes the full listing of unpaid assessed contributions of $18.6 million at the end of 1999.

Annex

Supplementary information

1. The present annex contains supplementary tables and information that the Secretary-General is required to report.

Cash and investments

2. The cash figures shown in the financial statements represent operational cash held at Headquarters and at the International Tribunal for the Former Yugoslavia in The Hague, as well as interest-bearing bank deposits and call accounts. The detailed breakdown is shown in the following table:

	Millions of United States dollars
Operational cash	7.7
Time deposits and call accounts	15.0
Total	**22.7**

Contributions received in currencies other than United States dollars

3. The Secretary-General is authorized by the General Assembly to accept a portion of the assessed contributions of Member States in currencies other than United States dollars. Based on the United Nations actual requirements for various currencies, the United States dollar equivalents of the following payments in such currencies were accepted in respect of the biennium 1998-1999.

Member State	*Currency*	*Amount*
Dominican Republic	peso	5 000
Ethiopia	birr	1 798

Write-off of losses of property

4. Property losses amounting to $17,198 (based on their original costs) were written off in accordance with financial rule 110.15 during the biennium 1998-1999. The write-offs brought the recorded balances of the properties to the same levels as those shown in the property records for the actual quantities on hand. The details of the amounts written off were reported to the Board of Auditors in accordance with the provisions of financial rule 111.10 (b).

Ex gratia payments

5. An ex gratia payment of $1,200 was made in accordance with financial regulation 10.3 during the biennium 1998-1999. Details of the payment were provided to the Board of Auditors.

Chapter II

Report of the Board of Auditors

Summary

The Board of Auditors has reviewed the operations of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991. The Board also audited the financial statements of the Tribunal for the biennium ended 31 December 1999, and conducted a management audit covering the use of courtroom resources and defence expenditure.

The Board's main findings are:

(a) The Tribunal did not disclose in the financial statements the liabilities for end-of-service benefits, post retirement benefits and annual leave;

(b) As at 31 December 1999, after six years of operation and expenditure of $225 million, the Tribunal had convicted six accused, acquitted one and released seven;

(c) The Tribunal did not use its three courtrooms for 58 per cent of the available 1,614 sessions between July 1998 and August 1999;

(d) Between 1997 and 1999, defence expenditure increased by 364 per cent, from $3.3 million to $12 million, while prosecution costs increased by 100 per cent, from $12.5 million to $25 million.

The Board made recommendations to improve the disclosure of liabilities in the financial statements, improve the use of courtroom facilities and reduce defence costs.

A list of the Board's main recommendations is included in paragraph 10 of the present report.

A. Introduction

1. The Board of Auditors previously included comments in volume II of its report for the 18 month period ended 30 June 1997[1] on the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991. However, based on the request of the Advisory Committee on Administrative and Budgetary Questions in its report dated 2 December 1999 (A/54/645), which was subsequently approved by the General Assembly in its resolution 54/239 of 23 December 1999, the Board of Auditors has produced a separate report on the International Tribunal for the Former Yugoslavia beginning from the biennium 1998-1999.

2. The Board of Auditors has audited the financial statements of the International Tribunal for the Former Yugoslavia for the period from 1 January 1998 to 31 December 1999, in accordance with article XII of the Financial Regulations and Rules of the United Nations and the annex thereto, and with the common auditing standards adopted by the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. Those standards require that the Board plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

3. The audit was conducted primarily to enable the Board to form an opinion as to whether the expenditures recorded in the financial statements for the period from 1 January 1998 to 31 December 1999 had been incurred for the purposes approved by the General Assembly; whether income and expenditures were properly classified and recorded in accordance with the Financial Regulations and Rules of the United Nations; and whether the financial statements of the Tribunal presented fairly the financial position at 31 December 1999. The audit included a general review of financial systems and internal controls and a test examination of accounting records and other supporting evidence.

4. In addition to its audit of the accounts and financial transactions, the Board carried out reviews under regulation 12.5 of the Financial Regulations and Rules of the United Nations. The reviews primarily concern the efficiency of financial procedures, the internal financial controls and, in general, the administration and management of the Tribunal. In 1998-1999, the Board examined the use of courtroom resources and defence costs.

5. The Board continued its practice of reporting the results of specific audits in management letters containing detailed observations and recommendations to the Administration.

6. The present report covers matters that, in the opinion of the Board, should be brought to the attention of the General Assembly. The Board's observations and conclusions were discussed with the Tribunal, whose views, where appropriate, have been reflected in the present report.

7. The Board's recommendations are presented in paragraph 10 below. The detailed findings are reported in paragraphs 11 to 39.

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[1] *Official Records of the General Assembly, Fifty-second Session, Supplement No. 5* (A/52/5).

1. Previous recommendations not fully implemented

8. In accordance with section A, paragraph 7, of General Assembly resolution 51/225 of 3 April 1997, the Board has confirmed that there are no recommendations relating to the Tribunal in volume I of the Board's report for the biennium 1994-1995[2] for which action is outstanding.

9. The Board reviewed the measures taken by the Tribunal in response to the recommendation made by the Board in its report on United Nations peacekeeping operations for the 18-month period ended 30 June 1997.[1] Details of the action taken and the comments of the Board are set out in the annex to the present report.

2. Main recommendations

10. **The Board recommends that the Tribunal:**

(a) Disclose in its financial statements the liabilities for end-of-service benefits, post-retirement benefits and annual leave in compliance with the United Nations System Accounting Standards (para. 13);

(b) Review its procedures for planning the use of courtrooms to ensure effective use of the available facilities (para. 27);

(c) Review its legal aid system with the aim of establishing tighter controls and limits over defence costs (para. 38).

B. Financial issues

1. United Nations System Accounting Standards

11. The Board assessed the extent to which the Tribunal's financial statements for the biennium ended 31 December 1999 conformed to the United Nations System Accounting Standards (A/51/523, updated by ACC/1997/14). The Board noted that, while the Tribunal had generally applied the revised accounting standards, it did not fully comply with the following standard.

12. The Tribunal had not made specific disclosure in the financial statements of the liability for end-of-service benefits, post-retirement benefits and annual leave indicating the basis of valuation, although that was required under paragraph 57 of the United Nations System Accounting Standards.

13. **The Board recommends that the Tribunal disclose in its financial statements the liabilities for end-of-service benefits, post-retirement benefits and annual leave in compliance with the United Nations System Accounting Standards.**

2. General financial review

14. Since 1998-1999 represented the first occasion for which the Tribunal had prepared separate financial statements, the Board reviewed historic trends in the Tribunal's financial position over the last three biennniums. Table 1 below shows the trends in the regular budget, excluding trust funds.

[2] Ibid., *Fifty-first Session, Supplement No. 5* (A/51/5).

Table 1
Financial position
(Millions of United States dollars)

	1994-1995	1996-1997	Percentage growth over 1994-1995	1998-1999	Percentage growth over 1996-1997
Income	44	88	100	175	99
Expenditure	38	73	92	151	107
Surplus	6	15	150	24	60
Unpaid contributions	4	9.3	133	18.6	100
Cash and term deposits	8.7	12.6	45	22.7	80

15. In 1998-1999 income nearly doubled from that of 1996-1997, from $88 million to $175 million. Expenditure grew by 107 per cent, from $73 million to $151 million, resulting in an increased surplus of income over expenditure (from $15 million in 1996-1997 to $24 million in 1998-1999). At 31 December 1999, unpaid assessed contributions for 1998-1999 totalled $18.6 million, compared with $9.3 million at 31 December 1997, representing an increase of 100 per cent. The unspent resources in 1998-1999 mainly resulted from vacant posts and the use of voluntary funding for building additional courtrooms, the cost of which had originally been included in the budget.

16. Overall, the excess of income over expenditure resulted in cash and term deposits amounting to $22.7 million, which were sufficient to cover all recorded liabilities at 31 December 1999 ($22.4 million). Interest earned on the cash and term deposits increased by $1.9 million, from $0.9 million in 1996-1997 to $2.8 million in 1998-1999.

17. The Board concluded that the Tribunal's financial position at 31 December 1999 was satisfactory. However, the Board was concerned at the increasing level of unpaid assessed contributions. The Board trusts that the Tribunal will make strenuous efforts to collect those amounts.

3. Write-off of losses of cash, receivables and property

18. The Tribunal reported write-offs of property valued at $17,198 during the biennium 1998-1999.

4. Ex gratia payments

19. In accordance with financial regulation 10.3, the Tribunal made one ex gratia payment of $1,200 during 1998-1999. The payment related to a claim by a supplier who had sought legal advice in relation to a claim against the Tribunal.

C. Management issues

1. Use of courtroom facilities

Background

20. By resolution 827 (1993), the Security Council established the International Tribunal for the Former Yugoslavia to bring to justice those responsible for the grave breaches of international humanitarian law occurring in the region. The Tribunal's Statute established two Trial Chambers, later increased to three, each consisting of three judges, and an Appeal Chamber of five judges. On 22 December 1997, in its resolution 52/217, the General Assembly approved resources, *inter alia*, for the Tribunal to operate a third courtroom, in order to try without delay the large number of accused awaiting trial. In its resolution 1166 (1998), the Security Council urged the Secretary-General "to make practical arrangements ... for the timely provision of personnel and facilities, in particular for the third Trial Chamber and related offices of the Prosecutor".

Status of trials

21. At 31 December 1999, after six years of operation and an expenditure of $225 million, the Tribunal had convicted six accused and acquitted one. The Tribunal informed the Board that the one acquittal was subject to an appeal by the prosecution. In addition, seven accused had been released: one on grounds of terminal illness; three because the indictments had been withdrawn; and three because of mistaken identity. The number of accused involved in pre-trials, trials and appeals increased from 1 individual in 1995 to 32 in October 1999. In response to this increased workload and to Security Council resolutions, the Tribunal constructed a second and a third courtroom, which were ready for use in April and July 1998, respectively. The capital cost of 6,625,000 Netherlands guilders ($3.25 million) was provided by voluntary contributions, and the General Assembly allotted the Tribunal a further $2.4 million in 1998-1999, primarily to staff the new courtrooms and to establish proceedings.

Scope of review

22. The Board examined the Tribunal's use of resources by assessing three indicators of courtroom management planning: courtroom occupancy from July 1998 to August 1999; allocation of judges to proceedings; and witnesses travelling to the courts but not appearing.

Courtroom occupancy

23. The Board reviewed the Tribunal's use of the courtrooms between July 1998 and August 1999. The results are summarized in table 2 below and show that, overall, the Tribunal did not use the courtrooms for 58 per cent of the available 1,614 sessions.

Table 2
Courtroom usage between July 1998 and August 1999

	Courtrooms									
				II		*III*		*All courtrooms*		
	Available sessions	*Not used*	*Percentage*	*Not used*	*Percentage*	*Not used*	*Percentage*	*Available session*	*Not used*	*Percentage*
1998	238	92	39	192	81	122	51	714	406	57
1999	300	139	46	247	82	141	47	900	527	59
Total	**538**	**231**	**43**	**439**	**82**	**263**	**49**	**1 614**	**933**	**58**

24. The Board noted in particular that from January to August 1999 the Tribunal used courtroom II for only 53 (18 per cent) of the 300 available sessions. The Board's further analysis disclosed that for 52 of the 53 sessions, either courtroom I or courtroom III was free at the same time.

25. The Tribunal informed the Board that it considered it unrealistic to schedule two half-day sessions in one day, and that it was the Tribunal's practice to schedule one session per case per day. Some judges were involved in cases in two different courtrooms and in such circumstances it was not possible to sit for longer than half a day. In addition, the Tribunal considered that courtrooms could not be used all day long because judges would not have the necessary time to research and draft their decisions and judgements. Furthermore, court sessions were limited by factors that were beyond the control of the Tribunal, such as witnesses being unable to testify owing to ill health and parties requesting adjournments.

26. The Board recognizes the complexities of organizing trials in such a way that courtroom facilities are used to the maximum extent possible. The Board considers, however, that there is scope for improvement.

27. **The Board recommends that the Tribunal review its procedures for planning the use of courtrooms to ensure effective use of the available facilities.**

Allocation of judges to proceedings

28. In an initiative to avoid bottlenecks in proceedings, the General Assembly elected three new judges in 1998 to operate three trial chambers and one appeals chamber. The Tribunal added the new judges to existing chambers and extended the number of chambers from three to four.

29. Pursuant to General Assembly resolution 53/212 of 18 December 1998, an Expert Group reviewed the effective operation and function of the Tribunal, with a mandate to enhance its efficient use of resources. In its report (A/54/634), the Expert Group recommended changes to the organizational structure and legal proceedings of the Tribunal, which were intended to reduce the duration of the court proceedings. In particular, the report discussed the interim release of defendants awaiting trial, the introduction of temporary judges to reduce bottlenecks where the 14 established judges were involved in other casework and the exercise of greater control by the Chambers over internal judicial staff and financial resources.

30. The Board trusts that the Tribunal will ensure that the recommendations of the Expert Group are promptly considered.

Witnesses travelling to the courts but not appearing

31. Between 1 January 1998 and 30 November 1999, 689 witnesses travelled to The Hague to provide testimony. A total of 76 witnesses departed without appearing in court, having stayed for a total of 480 days at a cost to the Tribunal of $125,000, excluding expenditure for support persons and dependants.

32. The Tribunal informed the Board that, in 29 out of the 76 cases (38 per cent) where witnesses had to leave before giving their testimony, this was due to rearrangement of the court proceedings after the witnesses' arrival. The 29 witnesses had to return at a later date, while the remaining 47 did not testify at all. In the latter cases, some were unable to appear on medical grounds, others were deemed to have less important testimony than originally thought, while others could not be heard within the set time frame. The Board is concerned that witnesses were brought to The Hague at the Tribunal's expense but were unable to give evidence owing to rearrangement of court proceedings. The Board trusts that the Tribunal will make efforts to reduce the extent to which court proceedings are rearranged after the arrival of witnesses.

2. Defence costs

33. The Tribunal's responsibilities include the investigation, prosecution and provision of defence costs of individuals accused of violations of international humanitarian law. The Board noted that in the period between 1997 and 1999, defence expenditure increased by 364 per cent from $3.3 million to $12 million, while prosecution costs increased by 100 per cent, from $12.5 million to $25 million (see table 3 below).

Table 3
Regular budget expenditure related to defence and prosecution
(Millions of United States dollars)

	1997		*1998*		*1999*		
	Amount	*Percentage*	*Amount*	*Percentage*	*Amount*	*Percentage*	*Percentage increase, 1997-1999*
Defence	3.3	21	9	35	12	32	364
Prosecution	12.5	79	17	65	25	68	100
Total	**15.8**	**100**	**26**	**100**	**37**	**100**	

34. The Tribunal informed the Board that there was no direct relationship between defence costs and prosecution costs. The former are related to the number of arrests and surrenders, while the latter include investigation costs incurred before such arrests or surrenders.

35. The Tribunal's Statute provides that suspects and accused, if indigent, are entitled to have legal assistance assigned to them without cost. The Tribunal paid invoiced defence charges up to the maximum reimbursable monthly hours set for different defence activities, for example 175 hours per month for Lead Counsel. The Tribunal informed the Board that it closely monitored this expenditure, and often considered it necessary to negotiate reductions in the number of hours charged by defence teams. Nevertheless, the Board is concerned that the payment structure provided little incentive for defence counsel to charge anything other than the maximum permitted hours.

36. The Tribunal intended to review its legal aid system and:

(a) To consider the level at which maximum reimbursable hours should be set, based on experience of the trial proceeding to date;

(b) To improve the focus of the scrutiny of claims;

(c) To simplify procedures to allow more flexible and efficient payment of invoiced defence costs.

37. The Tribunal informed the Board that it had imposed a moratorium on the implementation of a new legal aid system after considering a submission by the majority of assigned defence counsel in protest of the revisions.

38. **The Board recommends that the Tribunal review its legal aid system with the aim of establishing tighter controls and limits over defence costs.**

3. Cases of fraud and presumptive fraud

39. No cases of fraud or presumptive fraud were reported to the Board.

D. Acknowledgement

40. The Board of Auditors wishes to express its appreciation for the cooperation extended by the Registrar and staff of the Tribunal and by the United Nations Secretariat.

(*Signed*) Sir John **Bourn**
Comptroller and Auditor General
of the United Kingdom of Great Britain
and Northern Ireland

(*Signed*) Osei Tutu **Prempeh**
Auditor-General of Ghana

(*Signed*) Celso D. **Gangan**
Chairman, Philippines Commission on Audit

30 June 2000

Annex

Follow-up on action taken to implement the recommendations of the Board of Auditors in its report for the period ended 30 June 1997

1. Until the preparation of separately published accounts, the Board of Auditors included recommendations to the Tribunal in its reports on the financial statements of the United Nations peacekeeping operations. The Board made the following recommendation in the peacekeeping report for the period from 1 January 1996 to 30 June 1997.[3]

Recommendation, paragraph 184

2. The International Tribunal for the Former Yugoslavia should organize trials to make fuller use of its existing courtroom and expedite construction of the planned additional courtrooms and office accommodation.

Measures taken by the Tribunal

3. The Tribunal completed the courtrooms in June 1998. It expanded courtroom-scheduling procedures to cover the two new courtrooms.

Comments of the Board

4. The Board has examined the Tribunal's use of the three courtroom facilities and its findings are included in the present report.

[3] *Official Records of the General Assembly, Fifty-second Session, Supplement No. 5* (A/52/5), vol. II, chap. II, para. 184.

Chapter III

Audit opinion

We have audited the accompanying financial statements, comprising statements I to IV, annex, schedule 2.1 and the supporting notes of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 for the financial period ended 31 December 1999. The financial statements are the responsibility of the Registrar. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the common auditing standards of the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, and as considered by the auditor to be necessary in the circumstances, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Registrar, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the audit opinion.

In our opinion, these financial statements present fairly, in all respects, the financial position at 31 December 1999 and the results of operations and cash flows for the period then ended in accordance with the Tribunal's stated accounting policies set out in note 2 to the financial statements, which were applied on a basis consistent with that of the preceding financial period.

Further, in our opinion, the transactions of the Tribunal, which we have tested as part of our audit, have in all significant respects been in accordance with Financial Regulations and legislative authority.

In accordance with article XII of the Financial Regulations, we have also issued a long-form report on our audit of the Tribunal's financial statements.

(*Signed*) Sir John **Bourn**
Comptroller and Auditor General
of the United Kingdom of Great Britain
and Northern Ireland

(*Signed*) Osei Tutu **Prempeh**
Auditor-General of Ghana

(*Signed*) Celso D. **Gangan**
Chairman, Philippines Commission on Audit

30 June 2000

Chapter IV

Certification of the financial statements

29 March 2000

1. The financial statements of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 for the period from 1 January 1998 to 31 December 1999 have been prepared in accordance with financial rule 111.4.

2. The summary of significant accounting policies applied in the preparation of these statements is included as notes to the financial statements. These notes provide additional information and clarifications for the financial activities undertaken by the Organization during the period covered by these statements for which the Secretary-General has administrative responsibility.

3. I certify that the appended financial statements of the International Tribunal for the Former Yugoslavia, numbers I to IV, are correct.

(*Signed*) Jean-Pierre **Halbwachs**
Assistant Secretary-General, Controller

Chapter V

Financial statements for the biennium ended 31 December 1999

Statement I

INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA a/

Statement of income and expenditure and changes in reserves and fund balances
for the biennium 1998-1999 ending 31 December 1999
(Thousands of United States dollars)

	1999	1997 b/
Income		
Assessed contributions c/	151,735	41,315
Allocations from other funds d/	-	38,853
Voluntary contributions	-	882
Interest income	2,825	899
Other/miscellaneous income	587	1,009
Funding from reserves and fund balances e/	20,012	5,540
TOTAL INCOME	175,159	88,498
Expenditure		
Staff and other personnel costs	123,007	53,126
Travel	6,004	3,560
Contractual services	1,123	5,506
Operating expenses	12,970	8,592
Acquisitions	8,336	2,437
TOTAL EXPENDITURE	151,440	73,221
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	23,719	15,277
Prior period adjustments	1,957 f/	(1,837)
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	25,676	13,440
Savings on, or cancellation of, prior periods' obligations	1,330	3,057
Transfers from surplus e/	(20,012)	(5,540)
RESERVES AND FUND BALANCES, BEGINNING OF PERIOD	16,595	5,638
RESERVES AND FUND BALANCES, END OF PERIOD	23,589	16,595

a/ See note 3.

b/ Comparative figures reclassified to conform to current presentation.

c/ Includes assessed contributions unpaid irrespective of collectibility.

d/ In accordance with General Assembly resolutions 52/217 and 53/212, the Member States assessments for the International Tribunal are based in part on the scale of assessments applicable to the United Nations Regular budget and in part on the scale of assessments applicable to Peacekeeping operations.

e/ Represents amounts from prior period unencumbered balance approved under General Assembly Resolution 52/217 ($10,873,800 from 1997 unencumbered balance and $5,600,000 from the surplus at 31 December 1995) and $3,537,800 approved under General Assembly resolution 53/212.

f/ Includes additional amounts transferred from the unencumbered balances of the United Nations Protection Force (UNPF) for 1995, 1996 and 1997 and adjustments to fund balance for transfer of contributions received from the Netherlands $871,794 and Slovenia $9,960 for the Trust Fund to support the International Tribunal and other adjustments relating to previous biennia.

The accompanying notes are an integral part of the financial statements.

Statement II

INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA a/

Statement of assets, liabilities, reserves and fund balances
as at 31 December 1999
(Thousands of United States dollars)

	1999	1997 b/
Assets		
Cash and term deposits	22,702	12,627
Assessed contributions receivable from Member States c/	18,590	9,266
Other accounts receivable	2,028	1,840
Inter-office transactions pending processing	188	291
Deferred charges	2,496	1
TOTAL ASSETS	46,004	24,025
Liabilities		
Contributions- payments received in advance	312	-
Unliquidated obligations - current year	12,737	4,721
Unliquidated obligations - future years	2,496	-
Interfund balances payable	5,701	2,686
Inter-office transactions pending processing	293	-
Other accounts payable	876	23
TOTAL LIABILITIES	22,415	7,430
Reserves and fund balances		
Cumulative surplus	23,589	16,595
TOTAL RESERVES AND FUND BALANCES	23,589	16,595
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	46,004	24,025

a/ See note 3

b/ Comparative figures reclassified to conform to current presentation

c/ Includes assessed contributions unpaid irrespective of collectibility

The accompanying notes are an integral part of the financial statements.

Schedule 2.1

International Tribunal for the Former Yugoslavia

Assessed contributions unpaid as at 31 December 1999

(United States dollars)

Member States	Assessed contributions unpaid as at 1 January 98	Assessments 1 January 98 to 31 December 99 a/	Total collections, credits, adjustments 1 January 98 to 31 December 99	Assessed contributions unpaid as at 31 December 99	Aging analysis of outstanding assessed contributions			Assessed contributions unpaid as at 31 December 99
					over 2 years	1 - 2 years	under 1 year	
Afghanistan	5,760	2,516	-	8,276	5,760	1,028	1,488	8,276
Albania	2,194	2,464	3,035	1,623	-	-	1,623	1,623
Algeria	35,087	83,387	67,615	50,859	-	-	50,859	50,859
Andorra	-	5,476	1,869	3,607	-	-	3,607	3,607
Angola	5,760	7,531	8,331	4,960	-	-	4,960	4,960
Antigua and Barbuda	3,805	1,507	-	5,312	3,805	515	992	5,312
Argentina	105,259	769,398	320,636	554,021	-	-	554,021	554,021
Armenia	10,970	13,523	18,541	5,952	-	-	5,952	5,952
Australia	-	2,024,011	2,023,945	66	-	-	66	66
Austria	-	1,285,611	1,285,611	-	-	-	-	-
Azerbaijan	77,632	28,727	94,457	11,902	-	-	11,902	11,902
Bahamas	5,312	12,323	17,635	-	-	-	-	-
Bahrain	5,240	14,245	9,198	10,287	-	1,090	9,197	10,287
Bangladesh	1,372	7,531	8,903	-	-	-	-	-
Barbados	5,760	6,571	2,243	10,088	3,517	2,243	4,328	10,088
Belarus	186,902	90,353	4	277,251	186,898	45,988	44,365	277,251
Belgium	-	1,506,954	1,506,954	-	-	-	-	-
Belize	5,760	753	496	6,017	5,264	257	496	6,017
Benin	5,760	1,507	6,275	992	-	-	992	992
Bhutan	5,760	753	6,017	496	-	-	496	496
Bolivia	5,760	6,031	8,003	3,788	-	-	3,788	3,788
Bosnia and Herzegovina	7,439	4,107	11,546	-	-	-	-	-
Botswana	481	7,531	8,012	-	-	-	-	-
Brazil	616,069	1,219,897	37	1,835,929	616,069	424,510	795,350	1,835,929
Brunei Darussalam	-	16,430	10,822	5,608	-	37	5,571	5,608
Bulgaria	27,678	22,898	50,576	-	-	-	-	-
Burkina Faso	5,760	1,507	-	7,267	5,760	515	992	7,267
Burundi	5,760	753	-	6,513	5,760	257	496	6,513
Cambodia	2,194	821	3,015	-	-	-	-	-
Cameroon	-	10,959	-	10,959	-	3,925	7,034	10,959
Canada	23,362	3,803,959	3,827,321	-	-	-	-	-
Cape Verde	5,760	1,249	-	7,009	5,760	257	992	7,009
Central African Republic	5,760	1,011	-	6,771	5,760	515	496	6,771
Chad	5,760	753	6,017	496	-	-	496	496
Chile	17,542	102,564	49,230	70,876	-	-	70,876	70,876

Schedule 2.1

International Tribunal for the Former Yugoslavia

Assessed contributions unpaid as at 31 December 1999

(United States dollars)

Member States	Assessed contributions unpaid as at 1 January 98	Assessments 1 January 98 to 31 December 99 a/	Total collections, credits, adjustments 1 January 98 to 31 December 99	Assessed contributions unpaid as at 31 December 99	Aging analysis of outstanding assessed contributions			Assessed contributions unpaid as at 31 December 99
					over 2 years	1 - 2 years	under 1 year	
China	-	1,439,109	467,556	971,553	-	-	971,553	971,553
Colombia	21,365	89,259	110,624	-	-	-	-	-
Comoros	5,760	753	-	6,513	5,760	257	496	6,513
Congo	5,760	2,464	-	8,224	5,760	841	1,623	8,224
Costa Rica	1,416	13,424	14,840	-	-	-	-	-
Côte d'Ivoire	3,805	8,234	-	12,039	3,805	3,365	4,869	12,039
Croatia	55,423	35,181	90,604	-	-	-	-	-
Cuba	34,203	25,003	57,488	1,718	-	-	1,718	1,718
Cyprus	-	27,929	27,929	-	-	-	-	-
Czech Republic	19,854	188,109	188,114	19,849	3	-	19,846	19,849
Democratic People's Republic of Korea	27,382	18,973	1	46,354	27,381	8,693	10,280	46,354
Democratic Republic of the Congo	5,760	6,031	-	11,791	5,760	2,243	3,788	11,791
Denmark	-	944,245	944,245	-	-	-	-	-
Djibouti	5,760	753	-	6,513	5,760	257	496	6,513
Dominica	5,760	753	-	6,513	5,760	257	496	6,513
Dominican Republic	1,372	12,602	10,858	3,116	-	-	3,116	3,116
Ecuador	12,065	16,990	18,233	10,822	-	-	10,822	10,822
Egypt	19,570	54,518	74,088	-	-	-	-	-
El Salvador	5,760	9,858	9,125	6,493	-	3,365	3,128	6,493
Equatorial Guinea	5,760	753	-	6,513	5,760	257	496	6,513
Eritrea	1,171	753	-	1,924	1,171	257	496	1,924
Estonia	23,891	14,566	30,341	8,116	-	-	8,116	8,116
Ethiopia	5,760	4,774	4,773	5,761	986	1,798	2,977	5,761
Fiji	4,388	3,286	7,674	-	-	-	-	-
Finland	-	740,235	740,235	-	-	-	-	-
France	-	9,900,205	9,900,205	-	-	-	-	-
Gabon	6,312	13,164	1	19,475	6,311	5,048	8,116	19,475
Gambia	5,760	753	6,513	-	-	-	-	-
Georgia	77,080	26,544	2	103,622	77,078	16,264	10,280	103,622
Germany	-	13,345,888	13,345,888	-	-	-	-	-
Ghana	1,372	5,751	7,123	-	-	-	-	-
Greece	13,518	459,114	150,522	322,110	-	13,506	308,604	322,110
Grenada	5,760	753	-	6,513	5,760	257	496	6,513

Schedule 2.1

International Tribunal for the Former Yugoslavia

Assessed contributions unpaid as at 31 December 1999

(United States dollars)

Member States	Assessed contributions unpaid as at 1 January 98	Assessments 1 January 98 to 31 December 99 a	Total collections, credits, adjustments 1 January 98 to 31 December 99	Assessed contributions unpaid as at 31 December 99	Aging analysis of outstanding assessed contributions			Assessed contributions unpaid as at 31 December 99
					over 2 years	1 - 2 years	under 1 year	
Guatemala	11,513	15,067	-	26,580	11,513	5,328	9,739	26,580
Guinea	5,760	2,260	1	8,019	5,759	772	1,488	8,019
Guinea-Bissau	5,760	753	-	6,513	5,760	257	496	6,513
Guyana	3,805	821	(1)	4,627	3,805	280	542	4,627
Haiti	5,760	1,507	-	7,267	5,760	515	992	7,267
Honduras	3,805	2,744	1,623	4,926	2,182	1,121	1,623	4,926
Hungary	-	98,297	98,297	-	-	-	-	-
Iceland	41	43,814	43,855	-	-	-	-	-
India	-	247,302	247,302	-	-	-	-	-
Indonesia	30,700	148,066	4	178,762	30,696	48,511	99,555	178,762
Iran (Islamic Republic of)	300,631	189,388	7	490,012	300,624	84,965	104,423	490,012
Iraq	80,049	48,742	1	128,790	80,048	24,395	24,347	128,790
Ireland	-	306,233	306,233	-	-	-	-	-
Israel	8,214	278,920	287,134	-	-	-	-	-
Italy	-	7,419,720	7,419,720	-	-	-	-	-
Jamaica	-	4,928	4,928	-	-	-	-	-
Japan	2,146,973	26,425,768	28,572,741	-	-	-	-	-
Jordan	2,194	5,489	6,311	1,372	-	-	1,372	1,372
Kazakhstan	-	70,482	70,482	-	-	-	-	-
Kenya	5,123	5,751	1	10,873	5,122	1,963	3,788	10,873
Kuwait	7,255	115,684	43,186	79,753	-	7,252	72,501	79,753
Kyrgyzstan	20,733	8,535	1	29,267	20,732	4,207	4,328	29,267
Lao People's Democratic Republic	5,760	753	-	6,513	5,760	257	496	6,513
Latvia	52,029	25,883	77,912	-	-	-	-	-
Lebanon	5,378	13,143	13,143	5,378	-	-	5,378	5,378
Lesotho	3,805	1,507	-	5,312	3,805	515	992	5,312
Liberia	5,760	1,645	1	7,404	5,759	562	1,083	7,404
Libyan Arab Jamahiriya	55,875	116,285	4	172,156	55,871	44,866	71,419	172,156
Liechtenstein	-	7,747	7,747	-	-	-	-	-
Lithuania	44,942	24,520	57,561	11,901	-	-	11,901	11,901
Luxembourg	5,923	92,171	92,174	5,920	-	-	5,920	5,920
Madagascar	5,760	2,260	1	8,019	5,759	772	1,488	8,019
Malawi	3,532	1,507	5,039	-	-	-	-	-
Malaysia	-	144,498	144,498	-	-	-	-	-

Schedule 2.1

International Tribunal for the Former Yugoslavia

Assessed contributions unpaid as at 31 December 1999
(United States dollars)

Member States	Assessed contributions unpaid as at 1 January 98	Assessments 1 January 98 to 31 December 99 a/	Total collections, credits, adjustments 1 January 98 to 31 December 99	Assessed contributions unpaid as at 31 December 99	Aging analysis of outstanding assessed contributions			Assessed contributions unpaid as at 31 December 99
					over 2 years	1 - 2 years	under 1 year	
Maldives	5,760	753	6,513	-	-	-	-	-
Mali	5,760	1,764	7,524	-	-	-	-	-
Malta	1,204	11,499	3,925	8,778	-	1,204	7,574	8,778
Marshall Islands	5,760	821	(1)	6,582	5,760	280	542	6,582
Mauritania	5,760	753	-	6,513	5,760	257	496	6,513
Mauritius	2,051	7,392	7,391	2,052	-	-	2,052	2,052
Mexico	3,750	794,104	797,854	0	0	-	-	0
Micronesia (Federated States of)	382	821	1,203	-	-	-	-	-
Monaco	-	5,010	5,010	-	-	-	-	-
Mongolia	5,760	1,645	7,405	-	-	-	-	-
Morocco	5,261	33,681	37,797	1,145	-	-	1,145	1,145
Mozambique	3,041	1,011	-	4,052	3,041	515	496	4,052
Myanmar	5,760	6,282	-	12,042	5,760	2,314	3,968	12,042
Namibia	382	5,270	3,471	2,181	-	-	2,181	2,181
Nepal	3,041	3,013	6,054	-	-	-	-	-
Netherlands	-	2,227,550	2,227,550	-	-	-	-	-
New Zealand	-	302,592	302,592	-	-	-	-	-
Nicaragua	5,760	1,103	1	6,862	5,759	562	541	6,862
Niger	5,760	1,507	-	7,267	5,760	515	992	7,267
Nigeria	33,605	41,270	53,233	21,642	-	-	21,642	21,642
Norway	35	832,873	832,873	35	20	-	15	35
Oman	-	41,615	41,615	-	-	-	-	-
Pakistan	34,542	48,747	23,599	59,690	10,943	16,825	31,922	59,690
Palau	911	753	-	1,664	911	257	496	1,664
Panama	1,372	11,520	12,892	-	-	-	-	-
Papua New Guinea	3,903	5,270	1,788	7,385	2,114	1,798	3,473	7,385
Paraguay	2,194	11,499	6,119	7,574	-	-	7,574	7,574
Peru	34,542	75,236	3	109,775	34,539	23,836	51,400	109,775
Philippines	8,231	64,877	51,126	21,982	-	-	21,982	21,982
Poland	72,375	182,381	254,756	-	-	-	-	-
Portugal	33,774	535,147	535,161	33,760	-	-	33,760	33,760
Qatar	8,542	27,109	32,598	3,053	-	-	3,053	3,053
Republic of Korea	-	805,603	805,603	-	-	-	-	-
Republic of Moldova	54,942	21,797	2	76,737	54,940	12,058	9,739	76,737
Romania	32,893	64,852	97,745	-	-	-	-	-

Schedule 2.1

International Tribunal for the Former Yugoslavia

Assessed contributions unpaid as at 31 December 1999

(United States dollars)

Member States	Assessed contributions unpaid as at 1 January 98	Assessments 1 January 98 to 31 December 99 a/	Total collections, credits, adjustments 1 January 98 to 31 December 99	Assessed contributions unpaid as at 31 December 99	Aging analysis of outstanding assessed contributions			Assessed contributions unpaid as at 31 December 99
					over 2 years	1 - 2 years	under 1 year	
Russian Federation	1,653,070	2,975,674	-	4,628,744	1,653,070	1,490,884	1,484,790	4,628,744
Rwanda	3,805	1,011	4,816	-	-	-	-	-
Saint Kitts and Nevis	2,194	753	2,708	239	-	-	239	239
Saint Lucia	5,760	753	-	6,513	5,760	257	496	6,513
Saint Vincent and the Grenadir	5,760	753	-	6,513	5,760	257	496	6,513
Samoa	1,611	753	257	2,107	1,354	257	496	2,107
San Marino	382	2,740	2,740	382	-	-	382	382
Sao Tome and Principe	5,760	753	-	6,513	5,760	257	496	6,513
Saudi Arabia	97,402	474,425	263,982	307,845	-	-	307,845	307,845
Senegal	5,760	4,519	10,279	-	-	-	-	-
Seychelles	5,760	1,507	-	7,267	5,760	515	992	7,267
Sierra Leone	5,760	753	-	6,513	5,760	257	496	6,513
Singapore	-	142,055	142,055	-	-	-	-	-
Slovakia	-	33,485	33,485	-	-	-	-	-
Slovenia	9,603	49,830	49,831	9,602	-	-	9,602	9,602
Solomon Islands	5,760	753	6,017	496	-	-	496	496
Somalia	5,760	753	-	6,513	5,760	257	496	6,513
South Africa	-	500,658	500,658	-	-	-	-	-
Spain	-	3,536,439	3,536,439	-	-	-	-	-
Sri Lanka	1,372	10,138	5,018	6,492	-	-	6,492	6,492
Sudan	5,760	5,786	-	11,546	5,760	2,314	3,472	11,546
Suriname	2,194	3,013	-	5,207	2,194	1,028	1,985	5,207
Swaziland	5,760	1,645	1	7,404	5,759	562	1,083	7,404
Sweden	100,987	1,491,223	1,592,210	-	-	-	-	-
Syrian Arab Republic	28,231	52,012	2	80,241	28,229	17,385	34,627	80,241
Tajikistan	14,572	4,948	-	19,520	14,572	2,243	2,705	19,520
Thailand	-	134,662	134,662	-	-	-	-	-
The former Yugoslav Republic of Macedonia	6,312	3,567	9,878	1	-	-	1	1
Togo	5,760	1,011	1	6,770	5,759	515	496	6,770
Trinidad and Tobago	4,115	14,245	9,163	9,197	-	1	9,196	9,197
Tunisia	11,408	23,001	5,350	29,059	6,058	7,852	15,149	29,059
Turkey	206,280	361,445	329,673	238,052	-	-	238,052	238,052
Turkmenistan	20,733	8,535	20,734	8,534	-	4,206	4,328	8,534
Uganda	2,194	3,013	5,207	-	-	-	-	-

Schedule 2.1

International Tribunal for the Former Yugoslavia

Assessed contributions unpaid as at 31 December 1999
(United States dollars)

Member States	Assessed contributions unpaid as at 1 January 98	Assessments 1 January 98 to 31 December 99 a/	Total collections, credits, adjustments 1 January 98 to 31 December 99	Assessed contributions unpaid as at 31 December 99	Aging analysis of outstanding assessed contributions			Assessed contributions unpaid as at 31 December 99
					over 2 years	1 - 2 years	under 1 year	
Ukraine	733,440	433,007	59	1,166,388	733,381	269,607	163,400	1,166,388
Union of Soviet Socialist Republics	1,167,039	-	-	1,167,039	1,167,039	-	-	1,167,039
United Arab Emirates	57,745	145,941	107,383	96,303	-	-	96,303	96,303
United Kingdom	-	7,716,520	7,716,520	-	-	-	-	-
United Republic of Tanzania	5,760	2,516	6,788	1,488	-	-	1,488	1,488
United States of America	-	42,045,225	37,933,825	4,111,400	-	-	4,111,400	4,111,400
Uruguay	23,026	39,710	23,027	39,709	-	13,739	25,970	39,709
Uzbekistan	91,656	41,611	3	133,264	91,653	21,593	20,018	133,264
Vanuatu	5,760	753	-	6,513	5,760	257	496	6,513
Venezuela	72,375	161,123	6	233,492	72,369	65,897	95,226	233,492
Viet Nam	1,372	6,593	1	7,964	1,371	2,805	3,788	7,964
Yemen	5,760	7,531	-	13,291	5,760	2,571	4,960	13,291
Yugoslavia	61,588	35,220	1	96,807	61,587	16,825	18,395	96,807
Zambia	-	1,764	1,764	-	-	-	-	-
Zimbabwe	5,760	6,778	-	12,538	5,760	2,314	4,464	12,538
TOTAL	9,254,685	141,016,551	131,681,178	18,590,058	5,587,665	2,749,416	10,252,977	18,590,058

a/ The net assessments on Member States for 1998 and 1999 as per General Assembly resolutions 52/217 and 53/212 are as follows:

	1998	1999	Total
Gross assessed contributions	52,356,000	99,379,300	151,735,300
Less: Credit from staff assessment	4,063,001	6,655,748	10,718,749
Net Contributions	48,292,999	92,723,552	141,016,551

STATEMENT III

INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA a/

Statement of Cash Flows for the biennium 1998-1999 ending 31 December 1999

(Thousands of United States dollars)

	1999	1997 b/
Cash flows from operating activities		
Net excess (shortfall) of income over expenditure (Statement I)	25,676	13,440
(Increase) decrease in contributions receivable	(9,324)	(5,259)
(Increase) decrease in other accounts receivable	(188)	(409)
(Increase) decrease in other assets	(2,392)	126
Increase (decrease) in contributions or payments received in advance	312	-
Increase (decrease) in unliquidated obligations	10,512	(753)
Increase (decrease) in accounts payable	853	(3,417)
Increase (decrease in other liabilities)	293	-
Less: Interest income	(2,825)	(899)
NET CASH FROM OPERATING ACTIVITIES	22,917	2,829
Cash flows from investing and financing activities		
Increase (decrease) in inter-fund balances payable	3,015	2,686
Plus: Interest income	2,825	899
NET CASH FROM INVESTING AND FINANCING	5,840	3,585
Cash flows from other sources		
Savings on, or cancellation of, prior periods' obligations	1,330	3,057
Transfers from surplus	(20,012)	(5,540)
NET CASH FROM OTHER SOURCES	(18,682)	(2,483)
Net Increase (Decrease) in Cash and Term Deposits	10,075	3,931
CASH AND TERM DEPOSITS, BEGINNING OF PERIOD	12,627	8,696
CASH AND TERM DEPOSITS, END OF PERIOD	22,702	12,627

a/ See notes 2 and 3

b/ Comparative figures reclassified to conform to current presentation

The accompanying notes are an integral part of the financial statements

Statement IV

International Criminal Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the territory of the Former Yugoslavia

Statement of Appropriations for the biennium 1998-1999 ending 31 December 1999

(Thousands of United States dollars)

	APPROPRIATIONS	EXPENDITURES			
Appropriations	Original a/	Disbursements b/	Unliquidated Obligations	Total Expenditure	Balance
Programme of work					
A. The Chambers	5,746	5,381	58	5,439	307
B. The Office of the Prosecutor	44,261	41,478	756	42,233	2,027
C. Registry	77,350	58,539	6,167	64,706	12,644
D. Programme Support	28,688	18,339	5,659	23,998	4,690
E. Expert Review Group	-	252	97	349	(349)
F. Staff Assessment	15,707	14,715	-	14,715	992
Total	171,752	138,704	12,736	151,440	20,312

a/ See General Assembly resolutions 52/217 and 53/212.

b/ Includes charges against budget accounts credited to accounts payable.

Notes to the financial statements

International Tribunal for the Former Yugoslavia

Note 1
The United Nations and its activities

(a) The Charter of the United Nations was signed on 26 June 1945 and came into force on 24 October 1945. The Organization's primary objectives, to be implemented through its five major organs, were as follows:

(i) The maintenance of international peace and security;

(ii) The promotion of international economic, social progress and development programme;

(iii) The universal observance of human rights;

(iv) The administration of international justice and law;

(v) The development of self-government for Trust Territories.

(b) The **General Assembly** focuses on a wide range of political, economic and social issues as well as the financial and administrative aspects of the Organization.

(c) Under the direction of the **Security Council** the Organization has been involved in various aspects of peacekeeping and peacemaking, including efforts towards resolving conflicts, restoring democracy, promoting disarmament, providing electoral assistance, facilitating post-conflict peace-building and engaging in humanitarian activities to ensure survival of groups deprived of basic needs and overseeing the prosecution of persons responsible for serious violations of international humanitarian law.

(d) The **Economic and Social Council** plays a particular role in economic and social development, including a major oversight role in the efforts of other organizations of the United Nations system to address international economic, social and health problems.

(e) The **International Court of Justice** has jurisdiction over disputes between Member States brought before it for advisory opinions or binding resolutions.

(f) The **Trusteeship Council** completed its primary functions in 1994 with the termination of the Trusteeship Agreement for the last United Nations Trust Territory.

Note 2
Summary of significant accounting and financial reporting policies of the United Nations

(a) The accounts of the United Nations are maintained in accordance with the Financial Regulations of the United Nations as adopted by the General Assembly, the rules formulated by the Secretary-General as required under the regulations, and administrative instructions issued by the Under-Secretary-General for Management, or the Comptroller. They also take fully into account the United

Nations System Accounting Standards, as adopted by the Administrative Committee on Coordination. The Organization follows international accounting standard 1 on the disclosure of accounting policies, as modified and adopted by the Consultative Committee on Administrative Questions at its fifty-fourth session, as shown below:

(i) Going concern, consistency and accrual are fundamental accounting assumptions. Where fundamental accounting assumptions are followed in financial statements, disclosure of such assumptions is not required. If a fundamental accounting assumption is not followed, that fact should be disclosed together with the reasons;

(ii) Prudence, substance over form and materiality should govern the selection and application of accounting policies;

(iii) Financial statements should include clear and concise disclosure of all significant accounting policies that have been used;

(iv) The disclosure of the significant accounting policies used should be an integral part of the financial statements. The policies should normally be disclosed in one place.

(v) Financial statements should show comparative figures for the corresponding period of the preceding financial period;

(vi) A change in an accounting policy that has a material effect in the current period or may have a material effect in subsequent periods should be disclosed together with the reasons. The effect of the change should, if material, be disclosed and quantified.

(b) The Organization's accounts are maintained on a "fund accounting" basis. Separate funds for general or special purposes may be established by the General Assembly, the Security Council or the Secretary-General. Each fund is maintained as a distinct financial and accounting entity with a separate self-balancing double-entry group of accounts. Separate financial statements are prepared for each fund or for a group of funds of the same nature.

(c) The financial period of the Organization is a biennium and consisting of two consecutive calendar years for all funds other than peacekeeping accounts, which are reported on a fiscal year basis covering the period from 1 July to 30 June.

(d) Generally, income, expenditure, assets and liabilities are recognized on the accrual basis of accounting. For assessed income, the policy in paragraph (i) (ii) below applies.

(e) The accounts of the Organization are presented in United States dollars. Accounts maintained in other currencies are translated into United States dollars at the time of the transaction at rates of exchange established by the Under-Secretary-General, Department of Management. In respect of such currencies, the financial statements, prepared at such intervals as may be prescribed by the Controller under delegation of authority from the Under-Secretary-General, Department of Management, shall reflect the cash, investments, unpaid pledges and current accounts receivable and payable in currencies other than United States dollars, translated at the applicable United Nations rates of exchange in effect as at the date of the statements. In the event that the application of actual exchange rates at the date of the statements would provide a valuation materially different from the

application of the Organization's rates of exchange for the last month of the financial period, a footnote will be presented quantifying the difference.

(f) The Organization's financial statements are prepared on the historical cost basis of accounting and have not been adjusted to reflect the effects of changing prices for goods and services.

(g) The Organization's financial statements are presented in accordance with the ongoing recommendations of the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) Working Party on Financial Statements.

(h) Separate financial statements are issued for the United Nations general and related funds, for the United Nations Escrow Account for the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 under the provisions of Security Council resolutions 808 (1993) and 827 (1993), the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994, under the provisions of Security Council resolution 955 (1994), and for the peacekeeping accounts, which are reported separately on a fiscal year basis covering the period from 1 July to 30 June.

(i) Income:

(i) Amounts necessary to finance the activities of the United Nations regular budget and peacekeeping operations, the International Tribunal for the Former Yugoslavia, the International Criminal Tribunal for Rwanda and United Nations Mission in East Timor, as well as the Working Capital Fund, are assessed to Member States according to the scale of assessments determined by the General Assembly;

(ii) For purposes of financial statements, income is recognized when assessments to Member States have been authorized by the General Assembly. Neither appropriations nor spending authorities are recognized as approved;

(iii) Amounts assessed to non-member States that agree to pay reimbursement of costs for their participation in the Organization's treaties, organs and conferences are credited to miscellaneous income;

(iv) Voluntary contributions from Member States or other donors are recorded as income on the basis of a written commitment to pay monetary contributions at specified times within the current financial period. In accordance with General Assembly resolution 44/192 of 21 December 1989, voluntary contributions made in cash or in the form of services and supplies that are acceptable to the Secretary-General are credited to income or noted in the financial statements;

(v) Income received under inter-organization arrangements represent allocations of funding from agencies that request the Organization to administer projects or other programmes on their behalf;

(vi) Allocations from other funds represent monies appropriated or designated from one fund for the transfer to and disbursement from another fund;

(vii) Income for services rendered includes reimbursements for salaries of staff members and other costs that are attributable to providing technical and administrative support to other organizations;

(viii) Interest income includes all interest and related investment income earned on deposits in various bank accounts, time deposits and other marketable securities. Investment income is reported net of realized and unrealized loss;

(ix) Miscellaneous income includes income from rental of premises, sale of used or surplus property, refunds of expenditures charged to prior periods, income resulting from net gains resulting from currency translations, settlements of insurance claims, monies accepted for which no purpose was specified and other sundry income.

(j) Expenditure:

(i) Expenditures are incurred against authorized allotments. Total expenditures reported include unliquidated obligations and disbursements;

(ii) Expenditures incurred for non-expendable property are charged to the budget of the period when acquired and are not capitalized. Inventory of such non-expendable property is maintained at the historical cost;

(iii) Expenditures for future financial periods are not charged to the current financial period but are recorded as deferred charges as referred to in paragraph k (iv).

(k) Assets:

(i) Cash and term deposits comprise funds on deposits in interest-bearing bank accounts, certificate of deposit and call accounts;

(ii) Investments include securities acquired by the Organization to produce income. Investments are stated at the lower of cost or market value taking into account changes in value arising from translation of foreign currency. The market value of securities is disclosed in the footnotes to the financial statements.

(iii) Assessed contributions represent legal obligations of contributors and, therefore, the balances of unpaid assessed contributions due from Member States are reported irrespective of collectibility. It is the policy of the United Nations not to make provisions for delays in the collection of such assessments;

(iv) Deferred charges normally comprise expenditure items that are not properly chargeable in the current financial period. they will be charged as expenditure in a subsequent period. These expenditure items include commitments approved by the Controller for future financial periods in accordance with financial rule 110.6. Such commitments are normally restricted to administrative requirements of a continuing nature and to contracts or legal obligations where long lead-times are required for delivery;

(v) For balance sheet statement purposes only, those portions of education grant advances that are assumed to pertain to the scholastic years completed as at the date of the financial statement are shown as deferred charges. The full amounts of the advances are maintained as accounts receivable from staff members until the required proofs of entitlement are produced, at which time the budgetary accounts are charged and the advances settled;

(vi) Maintenance and repairs of capital assets are charged against the appropriate budgetary accounts. Furniture, equipment, other non-expendable property and leasehold improvements are not included in the assets of the organization. Acquisitions are charged against budgetary accounts in the year of purchase. The value of non-expendable property is recorded in memoranda accounts, and is disclosed in notes to the financial statements.

(l) Liabilities and reserves and fund balances:

(i) Operating and other types of reserves are included in the totals for "Reserves and fund balances" shown on the financial statements;

(ii) Unliquidated obligations for future years are reported both as deferred charges and as unliquidated obligations;

(iii) Deferred income includes pledged contributions for future periods, advance sales realized under revenue-producing activities, and other income received but not yet earned;

(iv) Commitments of the Organization relating to prior, current and future financial periods are shown as unliquidated obligations. Current period obligations related to the regular budget and special accounts remain valid for 12 months following the end of the biennium to which they relate. Obligations for most technical cooperation activities remain valid for 12 months after the end of each calendar year. Unliquidated obligations relating to amounts owed by peacekeeping operations to Member States may normally be retained for a period of five years beyond the end of a period. Unliquidated obligations relating to funds of a multi-year nature remain valid until the completion of the project.

(m) The United Nations is a member organization participating in the United Nations Joint Staff Pension Fund, which was established by the General Assembly to provide retirement, death, disability and related benefits. The Fund is a funded defined benefit plan. The financial obligation of the Organization to the Fund consists of its mandated contribution at the rate established by the General Assembly together with its share of any actuarial deficiency payments that might become payable pursuant to article 26 of the regulations of the Fund.

Note 3
International Tribunal for the Former Yugoslavia under the provisions of Security Council resolutions 808 (1993) and 827 (1993) (statements I-IV)

(a) The International Tribunal for the Former Yugoslavia was established by the Security Council (resolutions 808 (1993) and 827 (1993)). The Tribunal consists of the following organs:

(i) The Chambers, comprising three Trial Chambers and an Appeals Chamber. The Chambers are composed of 14 independent judges, no 2 of whom may be nationals of the same State, who serve as follows:

Three judges in each of the Trial Chambers;

Five judges in the Appeals Chamber;

(ii) The Prosecutor, who is responsible for the investigation and prosecution of persons responsible for serious violations of international humanitarian law committed in the territory of the former Yugoslavia, since 1991. The Prosecutor acts independently as a separate organ of the Tribunal;

(iii) A Registry, which services both the Chambers and the Prosecutor. The Registry is responsible for the administration and servicing of the Tribunal.

(b) Annual budget appropriations are funded by assessments to Member States, 50 per cent in accordance with the scale of assessment applicable to the United Nations regular budget and 50 per cent in accordance with the scale of assessments applicable to peacekeeping operations. States and intergovernmental and non-governmental organizations also contribute funds, equipment and services to the Tribunal to carry out its mandate. Although funds are appropriated on an annual basis, the financial statements for the Tribunal are prepared every six months in line with the financial reporting period for various other United Nations funds, with a final accounting at the end of a biennium.

(c) Statement I reports on the income and expenditure and changes in the reserves and fund balance during the financial period. It includes the calculation of excess of income over expenditure for the current period and prior period adjustments of income or expenditure.

(d) Statement II shows the assets, liabilities and reserves and fund balance at the end of the financial period. Excluded from the assets is the value of furniture and equipment (see note 5 (e)).

(e) Statement III is the cash flow summary statement prepared on the "indirect method" in line with the international accounting standard 7.

(f) Statement IV reports on expenditures against the appropriation approved for the biennium.

Note 4
Status of appropriations

In accordance with General Assembly resolutions 52/217 and 53/212, the appropriations and gross assessments for 1998 and 1999 are as follows:

	1998	1999	Total
	(Thousands of United States dollars)		
Budget appropriations	68 830	103 437	172 267
Less: Decreased appropriation for 1998	-	515	515
Total appropriations for 1998 and 1999	**68 830**	**102 922**	**171 752**
Less: Estimated income other than Staff assessment	-	5	5
Total budget appropriation less Estimated Income for 1998 and 1999	**68 830**	**102 917**	**171 747**
Balance of surplus applied in 1998 and 1999			
1995 surplus: 5 600			
1997 surplus: 10 874	16 474	3 538	20 012
Gross amounts assessed to Member States in 1998-1999	**52 356**	**99 379**	**151 735**

Note 5
Statement II

(a) The cash and term deposits figure shown represents the total cash balance (including funds held in non-convertible currencies) at United Nations Headquarters and in the office away from Headquarters.

(b) Assessed contributions unpaid:

(i) The assessed contributions receivable as at 31 December 1999 have been recorded in accordance with the Financial Rules of the United Nations, the relevant resolutions of the General Assembly, and the policy of the United Nations. Based on this policy, no provision has been made for delays in collection of outstanding assessed contributions;

(ii) In document ST/ADM/SER.B/554, entitled "Status of contributions as at 31 December 1999", annex XXII shows unpaid assessed contributions of $18,589,925. The difference of $132 represents amounts to be applied in the current biennium for Australia, $66; Norway, $35; Papua New Guinea, $25; and a balance of $6 due to rounding.

(c) Accounts receivable. Following is an analysis of the accounts receivables at 31 December 1999

	Less than a year	Over a year	Total
	(Millions of United States dollars)		
Governments	0.3	-	0.3
Staff members	1.1	0.1	1.2
Vendors	0.1	0.1	0.2
Other entities	0.3	-	0.3
Total	**1.8**	**0.2**	**2.0**

(d) Inter-fund balances reflect transactions between the United Nations General Fund and other United Nations funds. Inter-fund indebtedness with the General Fund is not restricted to transactions directly between the General Fund and the International Tribunal for the Former Yugoslavia. Transactions between the Tribunal account and funds other than the General Fund are reported as indebtedness from the General Fund to the fund owed and indebtedness to the General Fund from the fund owing.

(e) Non-expendable property. In accordance with United Nations accounting policies, non-expendable property is charged against the current allotment in the year of purchase. The non-expendable property acquired by the International Tribunal for the Former Yugoslavia and inventory donated or on loan, valued at historical cost, according to the cumulative inventory records, was $11.0 million at 31 December 1999.

(f) Accounts payable. Following is the composition of the accounts payable balance at 31 December 1999.

	Total
	(Millions of United States dollars)
Governments	0.4
Staff members	0.1
Vendors	0.1
Due to other United Nations entities	0.5
Other	0.1
Total	1.2

(g) Future years' commitments. The amount reported in statement II as unliquidated obligations for future years comprise obligations raised for contracts and lease agreements that are valid beyond the end of the biennium 1998-1999.

(h) Reserves and fund balance. The surplus account of the International Tribunal for the Former Yugoslavia represents funds available for credit to Member States arising from unobligated balances of appropriations, savings in the liquidation of prior period obligations and other designated income. The balance of the surplus account is to be offset against future assessments in accordance with the provisions of financial regulation 5.2 (d) unless the General Assembly decides otherwise.

(i) Voluntary contributions-in-kind valued at $8.6 million, which were not budgeted, were made in the biennium 1998-1999. Of that amount, $5.87 million was donated for the services of 70 gratis personnel and $2.77 million was donated by various Governments for the construction of a second courtroom. The amounts donated are as follows:

	United States dollars
Canada	140 000
Netherlands	1 633 600
United States of America	1 000 000

These amounts were not reported as income in statement I.

Annex

Voluntary Fund to Support the Activities of the International Tribunal for the Former Yugoslavia

Schedule of income, expenditure, reserves and fund balances for the biennium 1998-1999 ending 31 December 1999

(Thousands of United States dollars)

	Reserves and fund balances beginning of period	*Income*	*Expenditure*	*Reserves and fund balances end of period*
Voluntary Fund to Support the Activities of the International Tribunal Established by the Security Council in resolution 827 (1993) established by the Secretary-General on 22 October 1993 to support the activities of the Tribunal, and to enable it to carry out the mandate set forth in its Statute	3 911	20 894	7 611	17 194

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